

HOUSE BILL NO. 2015

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Health, Welfare and Institutions

on _____)

(Patron Prior to Substitute--Delegate Peace)

A BILL to amend and reenact § 32.1-319.1 of the Code of Virginia, relating to Department of Medical Assistance Services; fraud prevention.

Be it enacted by the General Assembly of Virginia:**1. That § 32.1-319.1 of the Code of Virginia is amended and reenacted as follows:****§ 32.1-319.1. Department to establish pilot program to use data analytics to mitigate risk of improper payments.**

A. The Department shall ~~establish~~ conduct a pilot program using prepayment analytics to develop means to mitigate the risk of improper payments to providers of services ~~that are paid through the Department's fee for service delivery system who commit fraud, abuse, or errors. Such program furnished under the state plan for medical assistance and all applicable waivers.~~ The pilot program shall include the use of predictive modeling, provider profiling, trend analysis, and other ~~prepayment~~ analytics to identify providers ~~and claims~~ with a high likelihood of fraud, abuse, or error and prevent payments on potentially fraudulent claims from being made until such claims have been validated.

B. The Department may enter into a contract or agreement with a vendor for the operation of the pilot program to mitigate the risk of improper payments to providers of services ~~that are paid through the Department's fee for service delivery system~~ furnished under the state plan for medical assistance and all applicable waivers required by this section.

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